

JUDGMENT OF THE GENERAL COURT (Third Chamber)

16 January 2018 (*)

(EU trade mark — Opposition proceedings — Application for the EU figurative mark COFFEE ROCKS — Earlier EU figurative marks STARBUCKS COFFEE — Relative ground for refusal — Similarity of the signs — Article 8(1)(b) of Regulation (EC) No 207/2009 (now Article 8(1)(b) of Regulation (EU) 2017/1001) — Article 8(5) of Regulation No 207/2009 (now Article 8(5) of Regulation (EU) 2017/1001))

In Case T-398/16,

Starbucks Corp., established in Seattle, Washington (United States), represented by J. Schmitt, lawyer, and I. Fowler, Solicitor,

applicant,

v

European Union Intellectual Property Office (EUIPO), represented by J. Crespo Carrillo and A. Kusturovic, acting as Agents,

defendant,

the other party to the proceedings before the Board of Appeal of EUIPO being

Hasmik Nersesyan, residing in Borgloon (Belgium),

ACTION brought against the decision of the Fourth Board of Appeal of EUIPO of 24 May 2016 (Case R 559/2015-4), relating to opposition proceedings between Starbucks Corp. and Ms Hasmik Nersesyan,

THE GENERAL COURT (Third Chamber),

composed of S. Frimodt Nielsen (Rapporteur), President, I.S. Forrester and E. Perillo, Judges,

Registrar: X. Lopez Bancalari, Administrator,

having regard to the application lodged at the Court Registry on 26 July 2016,

having regard to the response lodged at the Court Registry on 25 October 2016,

further to the hearing on 12 September 2017,

gives the following

Judgment

Background to the dispute

- 1 On 12 September 2013, Ms Hasmik Nersesyan filed an application for registration of an EU trade mark with the European Union Intellectual Property Office (EUIPO) pursuant to Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1), as amended

(replaced by Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ 2017 L 154, p. 1).

2 Registration as a mark was sought for the following figurative sign:



3 The services in respect of which registration was sought are in Class 43 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended, and correspond to the following description: 'Services for providing drinks'.

4 The EU trade mark application was published in *Community Trade Marks Bulletin* No 225/2013 of 26 November 2013.

5 On 25 February 2014, the applicant, Starbucks Corp., filed a notice of opposition pursuant to Article 41 of Regulation No 207/2009 (now Article 46 of Regulation 2017/1001) to registration of the mark applied for in respect of the services referred to in paragraph 3 above.

6 The grounds relied on in support of the opposition were those set out in Article 8(1)(b) and Article 8(5) of Regulation No 207/2009 (now Article 8(1)(b) and Article 8(5) of Regulation 2017/1001) and the opposition was based on the following earlier marks:

- the EU figurative trade mark in black and white, as reproduced below, which was registered on 28 February 2013 under the number 11198711 and covers goods in Classes 5 and 32:



- the EU figurative trade mark in black and white, as reproduced below, which was registered on 27 May 2009 under the number 7315351 and covers goods and services in Classes 30, 32, 35 and 43:



- the EU figurative trade mark in black and white, as reproduced below, which was registered on 26 October 1999 and renewed until 4 August 2017 under the number 596163 and covers goods and services in Classes 7, 9, 11, 14, 16, 18, 20, 21, 25, 28, 29, 30, 32, 41 and 42 in respect of which reputation of the mark was claimed for 'Ground and whole bean coffee, coffee and espresso beverages and beverages made a base of coffee and/or espresso, ready to drink coffee' in Class 30 and 'Cafes, cafeterias, snack bars and coffee bars; services rendered or associated with operating and franchising restaurants and other establishments or facilities engaged in providing food and drink prepared for consumption' in Class 42:



- the EU figurative trade mark in black and white, as reproduced below, which was registered on 23 August 2004 and has been renewed until 5 March 2023 under the number 3086014 and covers services in Classes 35, 36 and 43 in respect of which reputation of the mark was claimed for ‘Cafeteria, coffee shop and snack bar services’ in Class 43:



- the EU figurative trade mark in black and white, as reproduced below, which was registered on 22 February 2010 under the number 8517054 and covers goods and services in Classes 30 and 43:



- the EU figurative trade mark in black, green and white, as reproduced below, which was registered on 8 March 1999 and renewed until 15 September 2017 under the number 630673 and covers services in Class 42 in respect of which reputation of the mark was claimed for all the services:



- the EU figurative trade mark in black and white, as reproduced below, which was registered on 16 February 2000 and renewed until 1 April 2026 under the number 175513 and covers goods in Classes 7, 11, 16, 18, 21, 25, 29, 30 and 32 in respect of which reputation of the mark was claimed for ‘Coffee, coffee based drinks, gourmet baked goods and cakes, coffee beverages, ready-to-drink coffee, coffee-based beverages, espresso and espresso beverages’ in Class 30:



- the EU figurative trade mark in black, green and white, as reproduced below, which was registered on 4 February 2008 under the number 5671938 and covers services in Classes 35 and 43 in respect of which reputation of the mark was claimed for ‘Café, cafeteria, snack bar, coffee bar and coffee house’ in Class 43:



- the EU figurative trade mark in green, white and black, as reproduced below, which was registered on 12 November 2001 and renewed until 7 October 2017 under the number 689786 and covers goods and services in Classes 7, 9, 11, 16, 18, 21, 25, 29, 30, 32, 41 and 42 in respect of which reputation of the mark was claimed for ‘Ground and whole bean coffee, coffee and espresso beverages and beverages made with a base of coffee and/or espresso, ready to drink coffee’ in Class 30 and ‘Cafes, cafeterias, snack bars and coffee bars; services rendered or associated with operating and franchising restaurants and other establishments or facilities engaged in providing food and drink prepared for consumption’ in Class 42:



- the United Kingdom figurative mark in green, white and black, as reproduced below, which was registered on 21 December 2007 under the number 2445926 and covers goods and services in Classes 30, 35 and 43 in respect of which reputation of the mark was claimed for ‘Ground and whole bean coffee, coffee, espresso beverages, and beverages made with a base of coffee and/or espresso, baked goods, pastries, ready-to-drink coffee’ in Class 30 and ‘Café, cafeteria, snack bar, coffee bar, coffee house’ in Class 43:



- the Spanish figurative mark in green and white, as reproduced below, which was registered on 1 July 2011 under the number 2973961 and covers services in Class 42 in respect of which reputation of the mark was claimed for ‘Services for providing drink’ in that class:



- 7 The opposition was based on all the goods and services covered by the earlier marks and directed against all the contested services and the applicant filed a great deal of evidence in support of the alleged reputation of its marks.
- 8 On 19 February 2015, the Opposition Division rejected the opposition in its entirety.
- 9 On 17 March 2015, the applicant filed a notice of appeal with EUIPO, pursuant to Articles 58 to 64 of Regulation No 207/2009 (now Articles 66 to 71 of Regulation 2017/1001), against the decision of the Opposition Division.
- 10 By decision of 24 May 2016 (‘the contested decision’), the Fourth Board of Appeal of EUIPO dismissed the applicant’s appeal.

Forms of order sought

- 11 The applicant claims that the Court should:

- annul the contested decision;
- order EUIPO to pay the costs.

12 EUIPO contends that the Court should:

- dismiss the action;
- order the applicant to pay the costs.

Law

13 In support of the action, the applicant relies on two pleas in law. The first plea alleges infringement of Article 8(1)(b) of Regulation No 207/2009. The second plea alleges infringement of Article 8(5) of Regulation No 207/2009.

The first plea, alleging infringement of Article 8(1)(b) of Regulation No 207/2009

14 The applicant submits that the Board of Appeal erred in finding that there was no likelihood of confusion between the mark applied for and the earlier marks.

15 Article 8(1)(b) of Regulation No 207/2009 provides that, upon opposition by the proprietor of an earlier trade mark, the trade mark applied for must not be registered if because of its identity with, or similarity to, the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks, there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected. The likelihood of confusion includes the likelihood of association with the earlier trade mark.

16 According to settled case-law, the risk that the public may believe that the goods or services in question come from the same undertaking or from economically-linked undertakings constitutes a likelihood of confusion. According to the same case-law, the likelihood of confusion must be assessed globally, according to the relevant public's perception of the signs and goods or services in question and taking into account all factors relevant to the circumstances of the case, in particular the interdependence between the similarity of the signs and that of the goods or services covered (see judgment of 9 July 2003, *Laboratorios RTB v OHIM – Giorgio Beverly Hills (GIORGIO BEVERLY HILLS)*, T-162/01, EU:T:2003:199, paragraphs 30 to 33 and the case-law cited).

17 For the purposes of applying Article 8(1)(b) of Regulation No 207/2009, a likelihood of confusion presupposes both that the marks at issue are identical or similar and that the goods or services which they cover are identical or similar. Those conditions are cumulative (see judgment of 22 January 2009, *Commercy v OHIM – easyGroup IP Licensing (easyHotel)*, T-316/07, EU:T:2009:14, paragraph 42 and the case-law cited).

The relevant public

18 As regards the definition of the relevant public, it is apparent from paragraph 13 of the contested decision that the earlier marks on which the opposition was based are nine EU trade marks, one United Kingdom trade mark and one Spanish trade mark. Consequently, the Board of Appeal decided that the relevant territory for the purpose of the analysis of the likelihood of confusion was that of the European Union, including the United Kingdom and Spain, and that the relevant public to be taken into consideration was the general public.

19 Having regard to the material in the case file, that definition of the relevant public, which is not, moreover, disputed by the parties, must be confirmed.

The comparison of the services

- 20 The applicant submits that the services in respect of which registration is sought are identical to the services in respect of which the earlier marks are protected and for which they have a reputation. It states that even though the Opposition Division had concluded that the services at issue were identical and that finding had not been contested before the Board of Appeal, the Board of Appeal did not take that identity into account in its assessment of the likelihood of confusion.
- 21 In that regard, EUIPO submits that, as the Opposition Division had confirmed the identity of the services and neither party had contested that finding before the Board of Appeal, the Board of Appeal did not need to assess the comparison of the goods and services in question. Furthermore, it takes the view that, since, under Article 8(1)(b) of Regulation No 207/2009, the conditions that the marks have to be identical or similar and the goods and services have to be identical or similar are cumulative conditions, there is no need to examine the similarity of the services at issue if the marks at issue are not similar.
- 22 It is not disputed that, in its decision of 19 February 2015, the Opposition Division found that the services covered by the mark applied for were identical to the following services covered by the earlier marks: ‘café, cafeteria, snack bar, coffee bar and coffee house’ (see, for example, the earlier EU trade marks No 5671938 and No 689786 and the earlier United Kingdom trade mark), since they overlap with each other at least partially. It is also not disputed that the Board of Appeal did not, in the absence of any challenge by the parties in that regard, carry out a comparison of the services in the contested decision.
- 23 In the light of the material in the case file, the outcome of the comparison of the services which emerges from the administrative proceedings before EUIPO, which has not, moreover, been disputed by the parties before the Court, must be confirmed.

The comparison of the signs

- 24 In the present case, the Board of Appeal compared the signs by comparing various categories of earlier marks, on the one hand, with the mark applied for, on the other hand.
- 25 In the present case, the Court considers it appropriate to examine the arguments of the parties in the light of the Board of Appeal’s assessment regarding the comparison of the mark applied for with the earlier EU trade marks No 11198711, No 596163 and No 3086014, on the one hand, and the earlier EU trade marks No 5671938 and No 689786 and the earlier United Kingdom trade mark, on the other hand.

– *The contested decision*

- 26 With regard to the comparison of the mark applied for with the earlier EU trade marks No 11198711, No 596163 and No 3086014, on the one hand, and the earlier EU trade marks No 5671938 and No 689786 and the earlier United Kingdom trade mark, on the other hand, the Board of Appeal, first of all stated, in paragraphs 16 and 28 of the contested decision that those marks were the following:

Mark applied for	Earlier marks
	



- 27 Next, the Board of Appeal found that the earlier EU trade marks No 5671938 and No 689786 and the earlier United Kingdom trade mark were identical to the earlier EU trade marks No 11198711, No 596163 and No 3086014 with the difference that the centre of the earlier EU trade marks No 5671938 and No 689786 and the earlier United Kingdom trade mark was in black and white and the outer part was in green and white (see paragraph 29 of the contested decision).
- 28 As regards the mark applied for, the Board of Appeal found that that mark consisted of a black circular device with a white musical note in the centre, that the note head had the shape of a coffee bean, that there was a white circle around the musical note, that the words 'coffee' and 'rocks', both in the same white, bold, standard capital letters, were written respectively above and below that central element, that there were two smaller versions of the musical note at the right- and left-hand sides and that there were two white circles around those elements, one of which was a bit smaller than the other. The Board of Appeal also found that the word 'rocks' had no meaning in relation to the services concerned and formed a distinctive and dominant element of the contested sign, that the coffee bean-shaped musical notes were also distinctive and were codominant within the overall impression, that the word 'coffee' was descriptive in respect of the services for providing drinks in question and that the other figurative elements would be perceived as decorative and were therefore non-distinctive (see paragraph 17 of the contested decision).
- 29 So far as concerns the earlier marks and without addressing the issue of the colour green, the Board of Appeal stated that those marks consisted of a black circular device with a stylised picture of a mermaid in the centre surrounded by a white circle, that the word 'starbucks' above that central element and the word 'coffee' below that element were both written in the same white, bold, standard capital letters, that there were two small white stars at the right- and left-hand sides and that there was another white circle around those elements. The Board of Appeal also took the view that the word 'starbucks' had no meaning in relation to the goods and services concerned and formed a distinctive and dominant element of the earlier signs, that the figurative element depicting a mermaid was also distinctive and was co-dominant within the overall impression of the signs, that the word 'coffee' was descriptive in respect of the goods and services concerned and that the other figurative elements would be perceived as decorative and were therefore non-distinctive (see paragraph 18 of the contested decision).
- 30 Consequently, the Board of Appeal found that those marks completely differed in their distinctive and dominant elements, namely the word 'rocks' and the devices of coffee bean-shaped musical notes, on the one hand, and the word 'starbucks' and the figurative element of a mermaid, on the other hand. The Board of Appeal also stated that those marks only resembled each other in the word 'coffee', which was placed in a different position, in the fact that they represented black circular devices with white elements (a figurative element in the centre with other elements arranged around) and in the letter type used for the respective word elements. However, as those elements were, in its view, descriptive or non-distinctive, the Board of Appeal found that those similarities could not render the marks similar. It therefore concluded that the marks were dissimilar from a visual point of view (see paragraph 19 of the contested decision).
- 31 From a phonetic standpoint, the Board of Appeal took the view that the mark applied for would be pronounced as the English words 'coffee rocks' or simply as 'rocks' and the earlier marks as the English words 'starbucks coffee', or simply as 'starbucks'. It stated that the marks would only resemble each other in the word 'coffee', if that word were pronounced. It found that, taking into account the descriptive character of that word in relation to the goods and services concerned, the marks were dissimilar from a phonetic standpoint. In its view, the argument that the elements 'rocks' and 'starbucks' are similar because

they have similar endings could not be accepted. It concluded that, overall, the pronunciation of those two words was therefore different (see paragraph 20 of the contested decision).

32 From a conceptual standpoint, the Board of Appeal found that the earlier marks conveyed the concept of a mermaid. It took the view that the mark applied for conveyed the concept of musical notes and ‘rock’ in the sense of ‘moving or swinging to and fro’. It concluded that the marks were therefore conceptually dissimilar. It found that, given the descriptive meaning of the word ‘coffee’, the fact that the marks have that word in common did not create any relevant conceptual similarity (see paragraph 21 of the contested decision).

33 The Board of Appeal found that the colour combination specific to the earlier EU trade marks No 5671938 and No 689786 and the earlier United Kingdom trade mark was not present in the mark applied for (see paragraph 29 of the contested decision).

34 It therefore followed, for the Board of Appeal, that the earlier EU trade marks No 11198711, No 596163 and No 3086014, on the one hand, and the earlier EU trade marks No 5671938 and No 689786 and the earlier United Kingdom trade mark, on the other hand, were dissimilar to the mark applied for. The Board of Appeal therefore found that the opposition based on the grounds set out in Article 8(1)(b) of Regulation No 207/2009 had to be rejected (see paragraphs 22 to 24 and 29 of the contested decision).

– *Arguments of the parties*

35 The applicant maintains that the Board of Appeal failed to have regard to the importance of the figurative aspects of the marks at issue. It submits that the structure of the earlier marks is such that the figurative elements of the marks are as important as the word elements. Likewise, it takes the view that the figurative elements of the mark applied for play an independent, distinctive and dominant role in the mark given the weak distinctive character of the word elements ‘coffee rocks’.

36 From a visual standpoint, the applicant submits that the mark applied for reproduces the majority of the figurative elements of the reputed Starbucks Coffee logo and that those elements are in the same position. In the applicant’s view, the concentric circles in the mark applied for are highly similar to those in the earlier marks. It maintains that there is no reason to assume that those figurative elements lack distinctiveness in relation to the services at question. Likewise, it submits that, as the trade mark application seeks protection for a black and white composite figurative sign, that sign can be used in any colour the other party chooses, including an identical shade of green. It maintains that the mark applied for contains a black and white central image and icons placed centrally on either side of the device, just like that of the earlier marks. Furthermore, it takes the view that the word elements and icons used in the mark applied for are positioned in a highly similar manner, in a font which is identical to that in the Starbucks Coffee logo. It submits that the fact that the mark applied for contains slightly different word elements does not outweigh the striking visual similarity between the signs at issue. It maintains that, in fact, those word elements increase the visual similarity given that they also contain the term ‘coffee’ and are written in the same font as that used in the earlier marks.

37 The applicant submits that the marks at issue are also similar phonetically since they have the element ‘coffee’ in common. Furthermore, it maintains that the elements ‘rocks’ and ‘starbucks’ have very similar endings.

38 From a conceptual standpoint, the applicant claims that the mark applied for reproduces the figurative concept of the earlier mark and contains a reference to the word ‘coffee’. That reference is, in the applicant’s view, emphasised by the depiction of coffee beans. The applicant submits that the Board of Appeal should have concluded that the reference to the identical concept of a coffee house led to a high degree of conceptual similarity. It takes the view that, as regards the word ‘rocks’, the Board of Appeal failed to appreciate that, for English-speaking consumers, that word means that something is fantastic. It maintains that the words ‘coffee rocks’ in the mark applied for are thus, at best, weakly distinctive for English-speaking consumers and, at worst, wholly lack distinctiveness, in that they simply refer to a place

where great coffee is served. The applicant takes the view that the figurative elements of the mark applied for are therefore even more relevant than the word elements and dominate over them.

39 EUIPO disputes the applicant's arguments. EUIPO states, at the outset, that the marks at issue are made up of figurative, graphic and word elements and that the Board of Appeal reached the conclusion that the signs were not similar after an overall assessment of their similarities and differences. It submits that, for the signs to be capable of being compared only on the basis of single components, as the applicant suggests, those elements would have to be 'dominant' in the marks at issue and the other elements in those marks would have to be 'negligible'. EUIPO takes the view that, regardless of whether the figurative elements constitute a dominant element, the other elements are not 'negligible'.

40 EUIPO submits that the black circular device with white elements within another smaller circle in the middle is a basic geometrical shape. It maintains that, faced with the distinctive word element 'starbucks', there is no reason to consider that consumers will pay as much attention to the figurative elements. In its view it is necessary in the present case to apply the principle that, when faced with marks consisting of both figurative and distinctive word elements, consumers tend to give more importance to the word elements because they can easily refer to the mark by pronouncing those word elements. It submits that the applicant overstates the importance of the figurative elements and deprives the other elements of their relevance. It takes the view that this approach is inconsistent with the principle that the marks at issue have to be compared as a whole. Furthermore, it maintains that there is no evidence that the type of the font and the stars positioned in the banal circular devices are of special importance.

41 In addition, EUIPO submits that the word 'coffee' is descriptive with regard to the goods and services concerned and will have little impact on the visual impact of the marks. It also takes the view that the word 'rocks' has no meaning in relation to the services concerned. It maintains that that word forms a distinctive and dominant element of the mark applied for, as do the coffee bean-shaped musical notes. It submits that, as such, the mark applied for conveys the concept of musical notes and 'rock'. It takes the view that if the words 'coffee rocks' were understood by the English-speaking public as a meaningful expression, namely that the coffee is fantastic, as claimed by the applicant, that would not, however, signify that more weight should be given to the banal circular devices in the mark applied for.

42 EUIPO submits that, visually, the marks at issue completely differ in their distinctive and dominant elements. It takes the view that the mere resemblance as regards the descriptive term 'coffee', which is placed in a different position, and the commonplace circular devices coupled with the non-fanciful font used for the word elements cannot render the marks similar. With regard to colour marks, EUIPO observes that a difference in colour may be a factor of significance in the overall visual comparison of the signs (judgment of 24 January 2012, *El Corte Inglés v OHIM – Ruan (B)*, T-593/10, not published, EU:T:2012:25, paragraph 29). EUIPO therefore states that:

'[D]epending on the circumstances of the case, the difference in colour may be of significance in the (visual) comparison of the signs. If, for example, the signs at issue were only to differ in the colour, this difference would in principle not play any role of significance. However, this is not the situation in the case at hand.'

43 From a phonetic standpoint, EUIPO submits that the Board of Appeal sufficiently explained why the marks are dissimilar. The word element in common, 'coffee', is, in its view, descriptive and will therefore likely be overlooked. Furthermore, it maintains that 'rocks' and 'bucks' are not similar, since the letters 'r' and 'b' as well as the letters 'o' and 'u' are pronounced differently. EUIPO takes the view that, when the term 'star' is added, it is clear that the elements 'rocks' and 'starbucks' are not similar, as the first part of a trade mark normally has a greater impact than the final part thereof. It maintains that there are differences in length, intonation and cadence.

44 From a conceptual standpoint, EUIPO submits that the fact that the marks have the word 'coffee' in common does not, taking into account the descriptive meaning of that word, create any relevant conceptual similarity. Furthermore, the semantic difference implied by the word 'rocks' will, in EUIPO's view, totally

offset any conceptual similarity which might be caused by the element in common ‘coffee’. Lastly, EUIPO submits that the figurative elements of the marks in question convey clear conceptual differences, for example, the presence of a mermaid in the earlier composite marks and the presence of musical notes in the shape of coffee beans in the contested mark.

– *Findings of the Court*

45 The global assessment of the likelihood of confusion must, so far as concerns the visual, phonetic or conceptual similarity of the signs at issue, be based on the overall impression given by the signs, bearing in mind, in particular, their distinctive and dominant elements. The perception of the marks by the average consumer of the goods or services in question plays a decisive role in the global assessment of that likelihood of confusion. In this regard, the average consumer normally perceives a mark as a whole and does not engage in an analysis of its various details. In addition, account must be taken of the fact that the relevant consumer only rarely has a chance to compare the various marks directly and must therefore rely on his imperfect recollection of them (see judgment of 12 June 2007, *OHIM v Shaker*, C-334/05 P, EU:C:2007:333, paragraph 35 and the case-law cited).

46 Furthermore, according to the case-law, two marks are similar when, from the point of view of the relevant public, they are at least partially identical as regards one or more relevant aspects (judgments of 16 May 2007, *Merant v OHIM – Focus Magazin verlag (FOCUS)*, T-491/04, not published, EU:T:2007:141, paragraph 45, and of 19 November 2015, *Matratzen Concord v OHIM – Barranco Rodriguez and Barranco Schnitzler (Matratzen Concord)*, T-526/14, not published, EU:T:2015:869, paragraph 38).

47 Assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components (see judgment of 12 June 2007, *OHIM v Shaker*, C-334/05 P, EU:C:2007:333, paragraph 41 and the case-law cited). It is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element (judgments of 12 June 2007, *OHIM v Shaker*, C-334/05 P, EU:C:2007:333, paragraph 42, and of 20 September 2007, *Nestlé v OHIM*, C-193/06 P, not published, EU:C:2007:539, paragraph 43). That could be the case, in particular, where that component is capable on its own of dominating the image of that mark which members of the relevant public retain, with the result that all the other components are negligible in the overall impression created by that mark (judgment of 20 September 2007, *Nestlé v OHIM*, C-193/06 P, not published, EU:C:2007:539, paragraph 43).

48 In the present case, it must be pointed out that at the end of its analysis of the comparison of the signs, the Board of Appeal found that ‘overall, the marks [were] dissimilar’. The Board of Appeal took the view that the marks are visually, phonetically and conceptually dissimilar (see paragraphs 19 to 22 of the contested decision).

49 As regards the visual comparison of the signs at issue, it must, however, be stated that the Court cannot accept the Board of Appeal’s view that there is not even a low degree of similarity between the signs at issue because the similarities between them are not such as to make them even remotely similar.

50 As is submitted, in essence, by the applicant, there are three sets of visual similarities between the signs at issue.

51 First, those signs, taken as a whole, are characterised by the fact that they have the same general appearance. The earlier marks and the mark applied for are circular devices consisting of two parts. First, there is a figurative element placed in the centre, namely a mermaid in the case of the earlier marks and a musical note with regard to the mark applied for. Secondly, that central element is surrounded by a broad band which is marked off, on the inside, by a white circle and, on the outside, by another white circle and by a black border or — in the case of the mark applied for — by two white circles, one of which is much

thinner than the other. The two word elements in that band also have the same structure. The first of them is placed at the top and the second is placed at the bottom. There are also two white stars, one of which is placed at the right-hand side and the other of which is placed at the left-hand side, between those two word elements in the earlier mark and two white musical notes, one of which is also placed at the right-hand side and the other of which is also placed at the left-hand side, between the two word elements in the mark applied for.

52 Secondly, the similarity linked to the general appearance of the signs at issue is strengthened, first, by the use of the same colours, black and white, which highlight the central element, the band which surrounds it and the elements reproduced in that band, and, secondly, by the use of the same font for the word elements ‘starbucks coffee’ and ‘coffee rocks’. That equivalence, which is also shown by the positioning of the various abovementioned elements, contributes towards giving the impression that the marks at issue are based on the same structure.

53 Furthermore, as the applicant observes, the trade mark application seeks protection in respect of a composite figurative sign which does not refer to any colour in particular. That sign’s user could therefore, as EUIPO acknowledged at the hearing, use it in the colour of its choice, including in the black, green and white shades of the earlier EU trade marks No 5671938 and No 689786 and the earlier United Kingdom trade mark. The protection of a trade mark which does not refer to any colour in particular is extended to all colour combinations as from the time when the mark is registered (see, to that effect, judgment of 18 June 2009, *LIBRO v OHIM – Causley (LiBRO)*, T-418/07, not published, EU:T:2009:208, paragraph 65).

54 Consequently, as regards the comparison of the mark applied for with the earlier EU trade marks No 5671938 and No 689786 and the earlier United Kingdom trade mark, the Board of Appeal was not entitled to find, as it did in paragraph 29 of the contested decision, that, as the colour combination used in those earlier marks (the centre in black and white and the outer part in green and white) is not present in the mark applied for, those marks are, a fortiori, dissimilar.

55 Thirdly, the signs at issue have in common the word ‘coffee’, which is placed below the word ‘starbucks’ and the central element in the earlier marks and above the word ‘rocks’ and the central element in the mark applied for. The presence of the word ‘coffee’ in the expressions ‘starbucks coffee’ and ‘coffee rocks’ is a factor which has to be taken into consideration, even though that word is descriptive of the goods and services concerned, for which the applicant, moreover, claims that some of its earlier marks have a reputation. Although descriptive elements of a trade mark are not generally regarded by the relevant public as being dominant in the overall impression conveyed by that mark, that does not, however, mean that those descriptive elements are necessarily negligible in that overall impression. It is necessary, in particular, to examine whether other elements of the mark are likely to dominate, by themselves, the relevant public’s recollection of that mark (see, to that effect, judgment of 16 December 2015, *Perfetti Van Melle Benelux v OHIM – Intercontinental Great Brands (TRIDENT PURE)*, T-491/13, not published, EU:T:2015:979, paragraph 38 and the case-law cited).

56 It is true that, as is stated in the contested decision, there are a number of differences between the signs at issue. Accordingly, the central figurative element is not the same. It is a stylised representation of a mermaid in the earlier marks and a musical note in the mark applied for. Likewise, the elements in the band which surrounds the central element differ as regards the earlier marks and the mark applied for. In the former they are the word elements ‘starbucks coffee’ and a representation of two stars whereas, in the latter, they are the word elements ‘coffee rocks’ and a representation of two musical notes.

57 However, even if it could be held, as the Board of Appeal found in the contested decision, that ‘[the] marks completely differ in their distinctive and dominant elements, namely the word “rocks” and the devices of coffee bean-shaped musical notes on the one hand and the word “starbucks” and the figurative element of a mermaid on the other hand’, that would not, however, mean, in the light of the case-law cited in paragraph 46 above, that the assessment as to whether there is any similarity between the marks at issue could be confined to taking into account only those components. In the present case, it cannot be held that

all the other components of the earlier marks and the mark applied for, and, in particular, those referred to in paragraphs 51 to 55 above, are negligible in the overall impression which those marks make on the relevant public.

58 Lastly, it must be borne in mind that, even though the word elements in a trade mark are, in principle, more distinctive than its figurative elements, because the average consumer will more readily refer to the goods or services in question by quoting their name than by describing the figurative element of the trade mark (judgment of 14 July 2005, *Wassen International v OHIM – Stroschein Gesundheitskost (SELENIUM-ACE)*, T-312/03, EU:T:2005:289, paragraph 37), the fact remains that, in the light of the findings set out in paragraphs 49 to 55 above, that is not the situation in the present case.

59 A mere reference to that principle cannot be sufficient to establish that the similarities referred to in paragraphs 51 to 55 above may be regarded as negligible when assessing whether there is any similarity between the marks at issue, since those similarities serve to show in the present case that, visually, the signs at issue have the same general appearance in common and are based on the use of the same structure and word in common ‘coffee’.

60 Consequently, in the light of the fact that the signs at issue are partially identical as regards one or more of their relevant aspects, the Board of Appeal erred in finding that the marks ‘[were] dissimilar from a visual point of view’, thus ruling out any possibility of similarity, even a low degree of similarity.

61 As regards the phonetic comparison of the signs, it must also be stated that the Court cannot accept the Board of Appeal’s view that the presence of the word ‘coffee’ in the marks at issue and the similar ending of the words ‘rocks’ and ‘starbucks’ are not capable of making the marks similar.

62 Even though there are differences in the way in which the words ‘starbucks coffee’ and ‘coffee rocks’ are pronounced, the two abovementioned similarities are, as such, factors which are likely to be taken into consideration in comparing the signs phonetically. In any event, those factors serve to rule out the possibility that, with regard to the phonetic comparison, there is not the slightest similarity between those signs. Furthermore, as the applicant submits and in contrast to EUIPO’s assessment, the ending ‘rocks’ may be regarded as phonetically similar to the ending ‘bucks’ on account of the relevant English-speaking public’s pronunciation of the letters ‘o’ and ‘u’.

63 Consequently, the Board of Appeal erred in finding that the marks ‘[were] dissimilar from a visual point of view’, thus ruling out any possibility of similarity, even a low degree of similarity.

64 As regards the conceptual comparison of the signs, the Board of Appeal’s view that the earlier marks convey the concept of a mermaid and the mark applied for conveys the concept of musical notes and rock can also not be accepted. As the applicant submits, it cannot be ruled out that, from a conceptual standpoint, on account of the general appearance of the marks at issue and the presence of the word ‘coffee’ in both of those marks, the relevant public will associate the earlier marks and the mark applied for with the concept of a ‘coffee house’.

65 Consequently, the Board of Appeal erred in finding that the marks ‘[were] conceptually dissimilar’, thus ruling out any possibility of similarity, even a low degree of similarity.

66 It is clear from the foregoing that the Board of Appeal erred in finding, in paragraph 22 of the contested decision, that, ‘overall, the marks [were] dissimilar’, thus ruling out a likelihood of confusion.

The likelihood of confusion

67 The applicant submits that the Board of Appeal failed to assess the likelihood of confusion globally. First, it takes the view that the Board of Appeal erroneously found that the marks at issue were not similar and that therefore the opposition could not succeed regardless of the reputation or enhanced distinctiveness of the earlier mark (see paragraph 23 of the contested decision). The applicant maintains that as soon as there

are some similarities between the signs at issue, a global assessment of the likelihood of confusion must be carried out and, as part of that global assessment, the reputation of the earlier marks, which, in its view, enjoy an extremely strong reputation for the services covered by the mark applied for, must be considered. Secondly, the applicant takes the view that the Board of Appeal did not refer to the principle of interdependence between the factors to be taken into consideration and did not even admit the identity of the services at issue. It submits that a lesser degree of similarity between the goods and services may be offset by a greater degree of similarity between the marks, and vice versa. It maintains that if the Board of Appeal had taken that into account, it would have arrived at the conclusion that there is a likelihood of confusion.

68 In that regard, EUIPO submits that the Board of Appeal applied the interdependence principle in finding that the marks were dissimilar overall. It maintains that, consequently, the lack of similarity between the marks cannot be offset by the alleged reputation of those earlier marks or the similarity of the services at issue.

69 It must be borne in mind that the likelihood of confusion on the part of the public must be assessed globally, taking into account all factors relevant to the circumstances of the case. That global assessment implies some interdependence between the factors taken into account and, in particular, between the similarity of the trade marks and that of the goods or services covered. Accordingly, a low degree of similarity between those goods or services may be offset by a high degree of similarity between the marks, and vice versa. The interdependence of those factors is expressly referred to in recital 8 in the preamble to Regulation No 207/2009, according to which the concept of similarity is to be interpreted in relation to the likelihood of confusion, the assessment of which depends on numerous elements, in particular, on the recognition of the trade mark on the market, the association which can be made with the used or registered sign, and the degree of similarity between the trade mark and the sign and between the goods or services identified (see judgment of 3 June 2015, *Pensa Pharma v OHIM — Ferring and Farmaceutisk Laboratorium Ferring (PENSA PHARMA and pensa)*, T-544/12 and T-546/12, not published, EU:T:2015:355, paragraphs 61 and 62 and the case-law cited).

70 Furthermore, the more distinctive the earlier trade mark, the greater will be the likelihood of confusion. Trade marks with a highly distinctive character, either per se or because of their recognition on the market, enjoy broader protection than trade marks with less distinctive character (judgment of 29 September 1998, *Canon, C-39/97*, EU:C:1998:442, paragraph 18).

71 In the present case, it must be held that the Board of Appeal, having erred in ruling out any similarity — even a low degree of similarity — between the marks, erred in not carrying out an overall assessment of the likelihood of confusion.

72 The contested decision must therefore be annulled in that regard.

The second plea, alleging infringement of Article 8(5) of Regulation No 207/2009

73 The applicant observes that the Board of Appeal ruled out the application of Article 8(5) of Regulation No 207/2009 by simply referring to its analysis of the similarity of the marks under Article 8(1)(b) of that regulation (see paragraph 35 of the contested decision). It submits that, in the present case, however, the similarity of the marks at issue would lead the relevant public to make the link between the circular ‘coffee rocks’ device applied for and the famous Starbucks coffee logo which is required for protection under Article 8(5) of Regulation No 207/2009. It maintains that the mark applied for would therefore take unfair advantage of the reputation attached to that logo and would be detrimental to its distinctive character.

74 EUIPO disputes those arguments. It submits that the existence of a link must be assessed globally and that the degree of similarity between the marks at issue, which is lacking in the present case, is one of the relevant factors. It takes the view that the Board of Appeal was right in denying the existence of any similarity between the signs at issue, as the only elements of similarity identified, namely a circular

figurative element and the descriptive term ‘coffee’, are incapable of generating any degree of similarity between the signs.

75 It is apparent from the wording of Article 8(5) of Regulation No 207/2009 that its application is subject to three conditions: first, that the signs at issue are identical or similar, secondly, that the earlier mark cited in opposition has a reputation and, thirdly, that there is a risk that the use by someone, without due cause, of the sign in respect of which registration as a trade mark is applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier mark. Furthermore, it is apparent from that wording that the three conditions referred to above must be regarded as cumulative. Lastly, it must be pointed out that the condition that the signs at issue must be identical or similar is common to Article 8(1)(b) and Article 8(5) of that regulation.

76 Given that it is not apparent either from the wording of paragraph 1(b) and paragraph 5 of Article 8 of Regulation No 207/2009 or from the case-law of the Court of Justice that the concept of similarity has a different meaning in each of those paragraphs, it follows, inter alia, that, if, in examining the conditions for the application of Article 8(1)(b) of that regulation, the General Court concludes that there is no similarity between the signs at issue, paragraph 5 of Article 8 also necessarily does not apply to the case in point. Conversely, if the General Court takes the view, in the context of that same examination, that there is some similarity between the signs at issue, such a finding is equally valid with regard to the application both of Article 8(1)(b) and of Article 8(5) of that regulation (judgment of 10 December 2015, *El Corte Inglés v OHIM*, C-603/14 P, EU:C:2015:807, paragraph 39).

77 However, in a situation in which the degree of similarity in question does not prove to be sufficient to result in the application of Article 8(1)(b) of Regulation No 207/2009, it cannot be deduced from that that the application of paragraph 5 of that article is necessarily precluded. The degree of similarity between the signs at issue required by each of the paragraphs of that provision is different. Whereas the application of Article 8(1)(b) of Regulation No 207/2009 is conditional on a finding of a degree of similarity between those signs which is capable of giving rise to a likelihood of confusion between them on the part of the relevant public, the existence of such a likelihood of confusion is not, by contrast, necessary as a condition for the application of paragraph 5 of that article (judgment of 10 December 2015, *El Corte Inglés v OHIM*, C-603/14 P, EU:C:2015:807, paragraphs 40 and 41).

78 Since Article 8(5) of Regulation No 207/2009 merely requires the similarity which exists to be capable of leading the relevant public to make a connection between the signs at issue, that is to say, to establish a link between them, but does not require that similarity to be capable of leading that public to confuse those signs, it must be held that the protection which that provision lays down in favour of marks with a reputation may apply even if there is a lower degree of similarity between the signs at issue (see judgment of 10 December 2015, *El Corte Inglés v OHIM*, C-603/14 P, EU:C:2015:807, paragraph 42 and the case-law cited).

79 It follows that, if the examination of the conditions for the application of Article 8(1)(b) of Regulation No 207/2009 (now Article 8(1)(b) of Regulation 2017/1001) has shown that there is some similarity between the signs at issue, the General Court must, in order to ascertain, this time, whether the conditions for the application of paragraph 5 of that article are satisfied, examine whether, on account of the presence of other relevant factors, such as the renown or reputation of the earlier mark, the relevant public is capable of establishing a link between those signs (see judgment of 10 December 2015, *El Corte Inglés v OHIM*, C-603/14 P, EU:C:2015:807, paragraph 43 and the case-law cited).

80 It is in the light of the foregoing considerations that it must be examined whether, in the present case, as the applicant submits, the Board of Appeal infringed Article 8(5) of Regulation No 207/2009.

81 In the present case, it is sufficient to point out that, following its analysis of the grounds set out in Article 8(5) of Regulation No 207/2009, the Board of Appeal found that, ‘as reasoned above [with regard to the analysis of the grounds set out in Article 8(1)(b) of that regulation] the conflicting marks [were] all

dissimilar and thus the first condition mentioned [in Article 8(5) of Regulation No 207/2009] ha[d] not been fulfilled for any of the relevant earlier marks' (see paragraph 35 of the contested decision).

82 In that regard, it must be pointed out that, when it examined the conditions for the application of Article 8(1)(b) of Regulation No 207/2009, the Court held that the Board of Appeal had erred in ruling out any similarity between the signs covered by the marks at issue. Consequently, the Board of Appeal should not have refused to assess the likelihood of confusion globally on the sole ground that the marks at issue were dissimilar.

83 In those circumstances, and for the same reasons, the Board of Appeal should not have refused to assess the grounds set out in Article 8(5) of Regulation No 207/2009 because the marks at issue were dissimilar.

84 The contested decision must therefore be annulled in that regard.

85 It follows that the contested decision must be annulled in so far as the Board of Appeal found that it was apparent from the dissimilarity of the signs at issue that the conditions for the application of Article 8(1)(b) and (5) of Regulation No 207/2009 were not satisfied and that the opposition therefore had to be rejected.

Costs

86 Under Article 134(1) of the Rules of Procedure of the General Court, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings.

87 In the present case, EUIPO has been unsuccessful, since the contested decision is being annulled. Consequently, EUIPO must be ordered to pay the costs.

On those grounds,

THE GENERAL COURT (Third Chamber)

hereby:

- 1. Annuls the decision of the Fourth Board of Appeal of the European Union Intellectual Property Office (EUIPO) of 24 May 2016 (Case R 559/2015-4);**
- 2. Orders EUIPO to pay the costs.**

Frimodt Nielsen

Forrester

Perillo

Delivered in open court in Luxembourg on 16 January 2018.

E. Coulon

S. Frimodt Nielsen

Registrar President

* Language of the case: English.